

PENSION BENEFIT GUARANTY CORPORATION  
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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

<b>IN RE:</b>	§	
	§	<b>CHAPTER 11</b>
<b>NATIONAL RIFLE ASSOCIATION</b>	§	
<b>OF AMERICA AND SEA GIRT, LLC,</b>	§	<b>CASE NO.: 21-30085-HDH-11</b>
	§	
<b>DEBTORS.<sup>1</sup></b>	§	<b>JOINTLY ADMINISTERED</b>
	§	
	§	<b>Hearing Date: February 24, 2021</b>
	§	
	§	<b>Re: Docket No. 164</b>
	§	

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**PENSION BENEFIT GUARANTY CORPORATION'S RESPONSE  
TO MMP'S MOTION TO RECONSTITUTE THE OFFICIAL  
COMMITTEE OF UNSECURED CREDITORS**

Pension Benefit Guaranty Corporation ("PBGC"), an agency of the United States Government and an unsecured creditor in the above-captioned case hereby files this response to *MMP's Motion for an Order Requiring the United States Trustee to Reconstitute the Official Committee of Unsecured Creditors* ("Motion") [Docket No. 164].

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<sup>1</sup> The last four digits of the Debtors' taxpayer identification numbers are: 6130 (NRA) and 5681 (Sea Girt). The Debtors' mailing address is 11250 Waples Mill Road, Fairfax, Virginia 22030.

## **I. PBGC**

1. PBGC is a wholly owned United States government corporation, and an agency of the United States, that administers the defined benefit pension plan termination insurance program under Title IV of Employee Retirement Income Security Act of 1974, as amended (“ERISA”), 29 U.S.C. §§ 1301-1461 (2018).

2. PBGC guarantees the payment of certain pension benefits upon the termination of a single-employer pension plan covered by Title IV of ERISA. When an underfunded pension plan terminates, PBGC typically becomes the statutory trustee of the plan and supplements any assets remaining in the pension plan with PBGC’s insurance funds to ensure that participants and beneficiaries receive their pension benefits up to statutory limits established by Title IV. *See* 29 U.S.C. §§ 1321, 1322, 1361.

3. When a pension plan sponsor is in bankruptcy, PBGC typically files a claim for a pension plan’s unfunded benefit liabilities, which are due if a pension plan terminates. In addition, PBGC files claims for ERISA Title IV premiums due to PBGC and for unpaid minimum funding contributions owed to the pension plan, which are due regardless of whether the pension plan terminates.

4. PBGC uses premiums paid by pension plan sponsors, and any recoveries from such bankruptcy claims, *inter alia*, to maintain its insurance fund to ensure that participants and beneficiaries of terminated pension plans will continue to receive their benefits, subject to certain statutory limitations.

5. As “a guarantor of a pension benefit payable by or on behalf of a debtor,” PBGC is a “person” eligible for committee membership. 11 U.S.C. §§ 101(41)(b), 1102(b). PBGC has

served as a committee member on over 150 unsecured creditors' committees in bankruptcy cases across the United States.

## **II. BANKRUPTCY CASE**

6. On January 15, 2021, the National Rifle Association of America ("NRA") and Sea Girt LLC (collectively, "Debtors") filed voluntary petitions under Chapter 11 of the Bankruptcy Code. The cases are jointly administered under the above captioned case number ("Chapter 11 Cases").

7. The NRA is a contributing sponsor of the NRA Employee Retirement Plan ("Pension Plan") which is covered by PBGC's insurance program. The Pension Plan covers approximately 771 participants and is ongoing.

8. On February 4, 2021, the U.S. Trustee appointed PBGC, Ackerman McQueen, Inc., David Dell'Aquila, InfoCision, Inc., and Stone River Gear, LLC to the Official Unsecured Creditors Committee for these Chapter 11 Cases ("OCC").

9. On February 16, 2021, Membership Marketing Partners, LLC ("MMP") filed the Motion asking this Court to order the U.S. Trustee to change the composition of the OCC "because the current composition of the OCC does not meet the Bankruptcy Code's requirements for committees of creditors." Motion at para. 4. In the Motion, MMP states the inclusion of the PBGC to the OCC is "puzzling," *Id.* at para. 9. And the Motion inexplicably claims that "PBGC/Ackerman/Dell'Aquila [forms] a ruling triumvirate—an insurmountable voting bloc," against the two trade creditors in the OCC. *Id.* at para. 17. MMP also asserts, again with no factual basis, that PBGC is part of three hand-picked creditors "with an axe to grind against the Debtor's management." *Id.* at para. 21.

### III. PBGC RESPONSE

10. MMP's comments about PBGC are themselves puzzling, and without merit.

11. PBGC has served as a productive member of over 150 creditors' committees throughout the United States. PBGC assures the Court that PBGC will fulfill its role as committee member in this case as it has done in all other cases, with the utmost diligence and care as a fiduciary. This includes voting in the best interest of all the unsecured creditors, and not as a "bloc" as alleged by MMP.

12. PBGC takes no position on the request to reconstitute the OCC.

### IV. CONCLUSION

While PBGC takes no position on the Motion, PBGC files this response to affirm that it will acquit its fiduciary duties in these Chapter 11 Cases.

DATED: February 22, 2021  
Washington, D.C.

Respectfully submitted,

By: /s/ Michael I. Baird

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**CERTIFICATE OF SERVICE**

I hereby certify that on February 22, 2021, a true and correct copy of Pension Benefit Guaranty Corporation's Response to MMP's Motion to Reconstitue the Official Committee of Unsecured Creditors was served via the Court's CM/ECF system on all parties registered to receive CM/ECF notices from the Court concerning this case.

/s/ Michael I. Baird

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